



DEPARTMENT OF HEALTH & HUMAN SERVICES
Health Care Financing Administration

Center for Medicaid and State Operations
Family and Children's Health Program Group
Division of Integrated Health Systems
7500 Security Boulevard
Baltimore, MD 21244-1850

NOV 17 2000

Dennis G. Smith, Director
Commonwealth of Virginia
Department of Medical Assistance Services
Suite 1300
600 East Broad Street
Richmond, Virginia 23219

Dear Mr. Smith:

This letter is in response to your letter to Tim Westmoreland dated June 29, 2000, requesting additional clarification on the questions sent by the Health Care Financing Administration (HCFA) regarding Virginia's Section 1115 family planning demonstration. It is also a follow-up to the conference call that was conducted on September 6, 2000.

For Question #1 on budget neutrality, we understand that you are having difficulty in accessing data on the use of family planning services by women who no longer are eligible for Medicaid. Women who are no longer eligible for Medicaid are likely to access family planning services through a number of health care programs such as Title X and public health clinics. You should contact those programs in order to obtain your budget estimates. We do agree with the State that since these programs are funded by other sources for these services, there would be no cost to the Medicaid program if the women continued to access the services through those programs.

For Question #6 on abortion counseling or referrals, it is important that federal Medicaid funds are not used for abortions. The State must assure HCFA that this does not occur in the demonstration. For example, if a woman who has had an abortion visits her physician for post-abortion care and also receives family planning services during that office visit, we want the State to ensure that Medicaid funds are not being used to pay for the post-abortion care.

We hope that this letter **has** provided you and your staff with sufficient guidance and clarification. If you have any further questions, please feel free to contact Joyce Jordan, the Virginia project officer, at 410-786-5936.

Sincerely,


Mike Fiore
Director